



REPLY TO
ATTENTION OF:

Regulatory Division
POA-2003-803-D

DEPARTMENT OF THE ARMY
U.S. ARMY ENGINEER DISTRICT, ALASKA
P.O. BOX 6898
ELMENDORF AFB, ALASKA 99506-0898

26 JAN 2007

Ms. Lena Brommeland
Northern Dynasty Mines, Inc.
3201 C Street, Suite 604
Anchorage, Alaska 99503-3971

Dear Ms. Brommeland:

This is in response to your application for a Department of the Army (DA) permit to conduct a 2007 mineral exploration program for the Pebble Project. It has been assigned file number POA-2003-803-D, which should be referred to in all future correspondence with us. The proposed project is located 17 miles northwest of Iliamna, Alaska; within Townships 2,3,4,&5 South, Ranges 34,35,36,& 37 West, Seward Meridian; centered at latitude 60.8983° N., longitude 155.2956° W.; USGS Quads Iliamna D-6 and D-7.

DA permit authorization is necessary because your project would involve placement of dredged and/or fill material into waters of the U.S. under our regulatory jurisdiction.

Based upon the information and plans you provided, we hereby verify that the work described in your "2007 Plan of Operations, Pebble Copper Project" is authorized by Nationwide Permit (NWP) No. 6, Survey Activities. NWP No. 6 and its associated Regional and General Conditions can be accessed at our website at www.poa.usace.army.mil/reg or, at your request, a paper copy will be provided to you. Regional Conditions A-E and L-O apply to your project. Please note in particular Regional Conditions E and N. You must comply with all terms and conditions associated with NWP No. 6, as well as with the following special condition:

Special Condition: All cultural resource surveys referenced in the "2007 Plan of Operations" shall be conducted when the ground is free of snow and shall be completed before any ground disturbance occurs. Surveys shall be conducted or overseen by an archaeologist that meets the standards found at 36 CFR Part 61 Appendix A.

Further, please note General Condition 14 requires that you submit a signed certification to us once any work and required mitigation are completed. Enclosure 1 is the form for you to complete and return to us.

This verification is valid until the NWP is modified, reissued, or revoked. All of the existing NWPs are scheduled to be modified, reissued, or revoked prior to March 18, 2007. It is incumbent upon you to remain informed of changes to the NWPs. We will issue a public notice when the NWPs are reissued. Furthermore, if you commence or are under contract to commence this activity before the date that the relevant nationwide permit is modified or revoked, you will have twelve (12) months from the date of the modification or revocation of the NWP to complete the activity under the present terms and conditions of this nationwide permit.

Nothing in this letter excuses you from compliance with other Federal, State, or local statutes, ordinances, or regulations.

Please contact me at (907) 753-2712, toll free from within Alaska at (800) 478-2712, by email at don.p.kuhle@poa02.usace.army.mil, or by mail at the letterhead address, ATTN: CEPOA-RD, if you have any questions or wish to request a paper copy of the terms and conditions of NWP No. 6. Additional information about our Regulatory Program is available on our website at www.poa.usace.army.mil/reg.

Sincerely,



Don P. Kuhle
Project Manager

Enclosure